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UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Before Commissioners: Robert G. Taub, Chairman;

Nanci E. Langley, Vice Chairman;

Mark Acton; and Tony Hammond

Competitive Product Prices Global Expedited Package Services Contracts Non-Published Rates 10 (MC2016-97) Docket No. CP2016-122

ORDER GRANTING MOTION FOR LATE ACCEPTANCE

(Issued December 22, 2016)

The Postal Service moves for late acceptance of its notice of filing the Global Expedited Package Services—Non-Published Rates 10 (GEPS—NPR 10) customer agreement with serial number ending in 0058. For the reasons stated below, the Commission approves the Motion.

On March 29, 2016, the Commission approved the inclusion of GEPS—NPR 10 within the GEPS—NPR product grouping in the Mail Classification Schedule and as a

¹ Motion for Late Acceptance of Customer Contract Filing Notice for Global Expedited Package Services - Non-Published Rates 10 Serial Number Ending: 0058, December 21, 2016 (Motion); see also Customer Contract Filing Notice for Global Expedited Package Services—Non-Published Rates 10 Serial Number Ending: 0058, December 21, 2016 (Notice).

new product on the competitive product list.² Consistent with the approach for other GEPS—NPR products, the Commission approved the GEPS—NPR 10 model customer contract and authorized the Postal Service to enter into contracts based on the model contract, subject to several conditions. Order No. 3189 at 7-8. The Postal Service must file with the Commission in this docket "[a] copy of each contract, along with the financial model inputs used to generate rates for each contract, . . . within a reasonable time, e.g., within 10 days of the effective date of the contract." *Id.* at 7. The Postal Service must also report all contracts "as a single competitive product in the appropriate ACR."³

The Postal Service has filed 13 batches of GEPS—NPR 10 contracts with the Commission within the applicable 10-day timeframe.⁴ On December 21, 2016, the Postal Service filed notice of a GEPS—NPR 10 customer agreement with serial number ending in 0058, effective August 4, 2016, along with a motion requesting that the Commission accept the late filing. See Notice; Motion. Acknowledging that Order No. 3189 requires the Postal Service to file notice of each new GEPS—NPR 10 customer agreement "within a 'reasonable time' of the contract's effective date,"⁵ the Postal Service explains that the late filing was an "oversight." Motion at 2. The Postal Service states that "the untimely filing was because of inadvertence and the large number of international negotiated service agreements." *Id.* at 1.

According to the Postal Service, "[r]ecent revisions to a software program used to track international negotiated service agreement customer opportunities should reduce the possibility of such errors occurring in the future." *Id.* The Commission looks forward

² Docket Nos. MC2016-97 and CP2016-122, Order Concerning the Addition of Global Expedited Package Services—Non-Published Rates Contract 10 (GEPS—NPR 10) to the Competitive Product List, March 29, 2016, at 6 (Order No. 3189).

³ *Id.* The Postal Service must also file quarterly results pertaining to any contracts that expired during the prior fiscal quarter. *Id.* at 8.

⁴ See, e.g., Customer Contract Filing Notice for Global Expedited Package Services—Non-Published Rates 10 Serial Numbers Ending: 0021 and 0023 to 0028, August 10, 2016.

⁵ Motion at 1, quoting Order No. 3189 at 7.

to the Postal Service's improved contract tracking procedures so that the Postal Service may avoid motions like this in the future.

Because the contract and rates at issue are based on a Commission-approved model contract,⁶ the Commission finds that late acceptance of the GEPS—NPR 10 customer agreement with serial number ending in 0058 is in the public interest and will not prejudice any person. Therefore, the Commission grants the Motion. Consistent with Order No. 3189, the Commission expects that the Postal Service shall include data from all GEPS—NPR 10 customer agreements effective in FY 2016, including the GEPS—NPR 10 customer agreement with serial number ending in 0058, in the FY 2016 Annual Compliance Report pertaining to the GEPS—NPR 10 product.

It is ordered:

The Motion of United States Postal Service for Late Acceptance of Customer Contract Filing Notice for Global Expedited Package Services—Non-Published Rates 10 Serial Number Ending: 0058, filed December 21, 2016, is granted.

By the Commission.

Stacy L. Ruble Secretary

⁶ By contrast, no model contract was operative with respect to the Postal Service's request to approve a retroactive extension to a Priority Mail negotiated service agreement. Docket No. CP2016-15, Order No. 3635, Order Authorizing Extension of Priority Mail Negotiated Service Agreement and Denying Motion for Late Acceptance, November 23, 2016.